COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

	In	the	Ma	atter	of
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PURCHASED GAS ADJUSTMENT)
FILING OF AUXIER ROAD GAS) CASE NO. 2013-00036
COMPANY, INC.)

ORDER

On April 2, 2009, in Case No. 2008-00156, the Commission approved the Gas Cost Adjustment ("GCA") clause of Auxier Road Gas Company, Inc. ("Auxier") allowing for the monthly adjustment of its rates.¹

On January 28, 2013, Auxier filed its proposed GCA to be effective March 1, 2013.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

- 1. Auxier's notice includes revised rates designed to pass on to its customers its expected change in wholesale gas costs.
- 2. Auxier's notice sets out an Expected Gas Cost ("EGC") of \$5.1844 per Mcf, which is an increase of \$.2096 per Mcf from its prior EGC of \$4.9748 per Mcf.
 - 3. Auxier's notice sets out no current Refund Adjustment.
- 4. Auxier's notice sets out a current month Actual Adjustment ("AA") of (\$.0128) per Mcf. Auxier's total AA is (\$.7502) per Mcf, which is an increase of \$.1534 per Mcf from its previous total AA of (\$.9036) per Mcf.

¹ Case No. 2008-00156, Application of Auxier Road Gas Company, Inc. for an Adjustment in Rates and Certain Nonrecurring Charges (Ky. PSC Apr. 2, 2009).

- 5. Auxier's notice sets out no current month Balance Adjustment ("BA"). A current BA in the amount of (\$.0069) per Mcf is required to reconcile net over-recoveries resulting from an expired AA. Auxier's total BA of (\$.0602) per Mcf represents a decrease of \$.0066 per Mcf from the previous total BA of (\$.0536) per Mcf.
- 6. Auxier's Gas Cost Recovery rate is \$4.3740 per Mcf, which is an increase of \$.3564 per Mcf from its previous rate of \$4.0176 per Mcf.
- 7. The rates in the Appendix to this Order are fair, just and reasonable, and should be approved for billing for service rendered by Auxier on and after March 1, 2013.

IT IS THEREFORE ORDERED that:

- 1. The rates proposed by Auxier are denied.
- 2. The rates in the Appendix, attached hereto and incorporated herein, are approved for billing for service rendered on and after March 1, 2013.
- 3. Within 20 days of the date of this Order, Auxier shall file with this Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets setting out the rates approved herein and reflecting that they were approved pursuant to this Order.

By the Commission

ENTERED

FEB 0 8 2013

KENTUCKY PUBLIC SERVICE COMMISSION

ATTEST

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2013-00036 DATED FEB 0 8 2013

The following rates and charges are prescribed for the customers served by Auxier Road Gas Company, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

RATES:

	Base Rate	Gas Cost Recovery Rate	<u>Total</u>
First Mcf (Minimum Bill)	\$ 6.36	\$4.3740	\$ 10.7340
All Over 1 Mcf	\$ 5.0645	\$4.3740	\$ 9.4385

Kimberly R Crisp Auxier Road Gas Company, Inc. 2963 KY RT 321 P. O. Box 408 Prestonsburg, KY 41653